

Congress of the United States
House of Representatives
Washington, DC 20515

December 13, 2021

The Honorable Tim Walz
Governor, State of Minnesota
130 State Capitol
75 Rev Dr. Martin Luther King Jr. Blvd.
St. Paul, MN 55155

The Honorable Melissa Hortman
Speaker of the House
463 State Office Building
St. Paul, MN 55155

The Honorable Jeremy Miller
Majority Leader
95 University Avenue West
Minnesota Senate Building, Room 3113
St. Paul, MN 55155

Dear Gov. Walz and Legislative Leaders:

With the economic forecast released last week detailing how growth in income, consumer spending, and corporate profits led to the largest surplus in Minnesota history – all during a pandemic – I write to salute you for steering us through one of the most challenging years in our history. With a projected surplus of \$7.7 billion, I also write to request once again that the economic health and wellbeing of Minnesota’s small businesses – especially those hit hardest by the COVID-19 pandemic – be a top priority.

As I wrote in July, Minnesota will receive a total of \$2.8 billion in federal aid through the State and Local Fiscal Recovery Fund established by the American Rescue Plan, which I proudly supported. At the time, I respectfully requested consideration of a targeted small business relief fund large enough to meet the needs of small businesses across our state. While \$64 million was made available for this purpose, demand far outpaced available funds, and many small businesses remain in desperate need of assistance.

This is especially true for those businesses which rely on in-person service or gatherings, including the myriad of businesses that make up our once-thriving hospitality, live events, and fitness industries. My staff and I are in regular contact with business owners who are taking on massive amounts of debt just to survive yet are still being forced to consider layoffs or even closure. This would have a devastating impact on our communities and stunt the economic recovery now well underway.

As you consider how best to allocate the resources made available by Minnesota’s strong economy and resilient workforce, I again respectfully request that targeted relief for small businesses be included among your priorities. In return, I commit to you that I will continue to

make federal relief for these businesses a top priority of mine in Washington, DC, where I am hopeful that we can deliver additional funds on a bipartisan basis in the very near future. This alone would not meet the full need, however, which is why I am hopeful we will align in this effort at the state and federal levels.

This historic surplus also offers a once-in-a-lifetime opportunity to address commonsense Democratic and Republican priorities alike, including childcare, health care, public education, affordable housing, and paid leave – together with targeted tax cuts or rebates, investments in public safety to address the recent spike in brazen criminal activity, enhancing our state's budget reserve, and shoring up Minnesota's unemployment trust fund. While there will certainly be no shortage of ideas for how to use this surplus to benefit the most Minnesotans, I have full faith and confidence in your ability to listen to one another, identify common ground, and act in the best interest of our state.

Thank you for your consideration of this request, and for your stewardship of our state at such a challenging time. As always, I stand ready to support you in whatever way I can.

Sincerely,

A handwritten signature in black ink, appearing to be 'D. Phillips', with a long horizontal flourish extending to the right.

Dean Phillips
Member of Congress

CC:

Steve Grove, Commissioner
Department of Employment and Economic Development
1st National Bank Building
332 Minnesota Street, Suite E200
St Paul, MN 55101